



**PRESS RELEASE
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**Illegal drilling on the *Nitassinan* ancestral territory of Pessamit:
THE INNU COUNCIL OF PESSAMIT DEMANDS THAT NEVADO
CEASE ALL ACTIVITIES AT LA BLACHE LAKE IMMEDIATELY**

Pessamit, January 31, 2011 – In early 2011, the Innu Council of Pessamit discovered that Nevado Resources Corporation (TSX-V : VDO) (Frankfurt : NSV), commonly known as Nevado, was carrying out illegal drilling activities on the *Nitassinan*, ancestral territory of Pessamit, more specifically near La Blache lake. *“We have never given Nevado permission to drill on our territory. We demand that it cease all activities immediately”*, stated the chief of the Innu Council of Pessamit, Raphaël Picard.

The Pessamit ancestral territory, which includes the La Blache lake sector, is the subject of a claim regarding the aboriginal title, the right to self-government and other aboriginal rights. On account of their status, the Innu of Pessamit have a constitutional right to be consulted before any activity is undertaken on the territory. Nevado has begun its mining activities on the Pessamit territory without obtaining the necessary authorization and first consulting the Quebec government. *“This company has totally denied our fundamental constitutional right to be consulted and accommodated. This is unacceptable. This company’s shareholders should think twice about it”*, declared Chief Picard.

On January 26, 2011, Nevado issued a press release entitled “Nevado Starts 10,000 Metre Diamond Drilling Program at La Blache Iron-Titanium-Vanadium Property in Northern Québec”, describing various results from drilling activities already carried out in this sector.

As a result, the Innu Council of Pessamit filed a complaint against Nevado with the Quebec Ministry of Natural Resources and Wildlife, requesting that the necessary measures be taken to inform Nevado of the various irregularities and that all mining activities on the Pessamit territory be suspended immediately.

Chief Picard added: *“We will protect the interests and look after the concerns of the Innu in Pessamit. If the unauthorized exploitation of our territory continues, we will have no other choice but to take the necessary legal recourse, to protect our aboriginal rights and our other fundamental rights recognised by the courts”*.

About the Innu Council of Pessamit

The Innu Council of Pessamit is the political organisation representing a community of close to 4,000 residents. The reserve (25,242 hectares) is located on the North shore of the St. Lawrence River, 54 kilometres south west of Baie-Comeau.



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